



DAILY METALS COMMENTARY Wednesday February 07, 2024

PRECIOUS METALS COMMENTARY 2/7/2024

Weaker Dollar continues to provide support

**OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
GOLD -2.40, SILVER -0.01, PLATINUM -1.07**

OUTSIDE MARKET DEVELOPMENTS: Global markets have a mildly positive tone following a second positive daily result in a row for Chinese equities. European shares are seeing mixed results early in today's action with UK FTSE-100 and German DAX indices posting modest losses. German industrial production and Italian retail sales were slightly weaker than expected. Today's trading will start with a weekly private survey of US mortgage applications. The December US international trade balance is expected to show a minimal decline from November's \$63.2 billion monthly deficit. December Canadian international merchandise trade is forecast to have a mild decline from November's monthly surplus. December US consumer credit is expected to have a downtick from November's \$23.7 billion. Fed Governor Kugler, Boston Fed President Collins and Richmond Fed President Barkin will speak during morning trading hours while Fed Governor Bowman this afternoon.



MARKET FUNDAMENTALS: After a rough start to February, the tide may have turned for gold prices as they remain well clear of Monday's low. Silver prices have reached a 2-week low while platinum and palladium are also under moderate early pressure. The Dollar has extended its pullback after a surprise downtick from a private survey of US economic optimism, which carried more weight with the market than usual on Tuesday as there were no top-tier US economic numbers to digest. A series of Fed speakers avoided any definitively hawkish statements, and that combined with the pullback in the Dollar provided a key source of support to gold and silver prices. While their comments were not outright dovish, a slight pullback in US longer-term yields following the Fed commentary also strengthened precious metals prices. China's demand outlook may have improved with this week's positive turnaround in Chinese equity markets, while gold and silver received additional carryover support from crude oil prices as they extended a recovery from Monday's low. Gold ETF holdings fell for the thirteenth day in a row on Monday to 83.8 million ounces. This is the longest streak of daily outflows since late September. Silver ETF holdings fell for the ninth straight day, the longest string of declines since July 18, 2022.

TODAY'S MARKET IDEAS:

With another light day of US economic data, precious metals will continue to take direction from Fed speakers. If they can avoid any overtly hawkish commentary, gold and silver can regain upside momentum during today's action. Near-term support for April gold is at \$2,038 while resistance is up at \$2,073.

NEW RECOMMENDATIONS:

None.

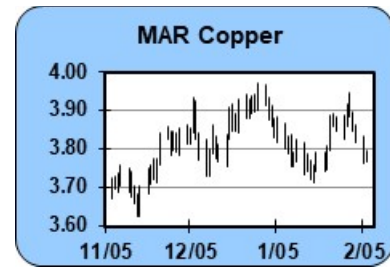
PREVIOUS RECOMMENDATIONS:

None

COPPER COMMENTARY 2/7/2024

Back-to-back positive daily results for Chinese equities providing support

GENERAL: Copper prices were able to break a 3-session losing streak on Tuesday but may need to receive more positive demand news from China to regain upside momentum. A second day of Chinese equity markets strength has helped to soothe Chinese copper demand concerns and supported prices. With the Shanghai Composite still close to Monday's 1-year low, copper may need to see continued strength in Chinese equities to sustain upside momentum. The eleventh daily decline in a row for LME copper stocks has supported the market as stock outflows bode well for the global demand outlook. Chile's Codelco said that their 2023 copper mine production was 1.325 million tonnes which was their lowest output in 25 years. They forecast 2024 production at 1.353 million tonnes.



MARKET IDEAS:

A second daily gain in the Shanghai Composite is helping to ease Chinese demand concerns and help copper hold its ground above Monday's low. If global risk sentiment turns positive again, copper prices can extend a recovery move in front of China's Lunar New Year holiday week. Near-term support for March copper is at \$3.7475 while resistance is up at \$3.8050.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

METALS TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

COMEX GOLD (APR) 02/07/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 2065.9. The next area of resistance is around 2060.0 and 2065.9, while 1st support hits today at 2043.6 and below there at 2033.0.

COMEX SILVER (MAR) 02/07/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 22.244. The next area of resistance is around 22.617 and 22.713, while 1st support hits today at 22.383 and below there at 22.244.

COMEX PLATINUM (APR) 02/07/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside target is now at 893.93. The next area of resistance is around 919.55 and 925.32, while 1st support hits today at 903.85 and below there at 893.93.

COMEX COPPER (MAR) 02/07/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 3.75. The next area of resistance is around 3.79 and 3.81, while 1st support hits today at 3.77 and below there at

3.75.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
METALS COMPLEX										
GCEJ24	2051.8	49.41	49.30	46.11	47.06	2055.70	2051.60	2049.56	2060.62	2053.11
SIEH24	22.500	36.49	39.45	50.55	44.19	22.73	22.93	22.85	23.52	23.69
PLAJ24	911.70	44.85	44.88	44.68	42.97	909.75	917.49	913.03	942.05	935.95
CPAH24	3.78	40.51	44.29	56.42	43.02	3.81	3.85	3.81	3.84	3.82
PAAH24	951.40	42.24	42.07	49.80	51.36	957.80	965.89	959.22	1027.50	1032.63

Calculations based on previous session. Data collected 02/06/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
METALS COMPLEX						
GCEJ24	COMEX Gold	2032.9	2043.5	2049.4	2060.0	2065.9
SIEH24	COMEX Silver	22.243	22.382	22.478	22.617	22.713
PLAJ24	COMEX Platinum	893.92	903.84	909.62	919.55	925.32
CPAH24	COMEX Copper	3.75	3.76	3.78	3.79	3.81
PAAH24	COMEX Palladium	934.70	941.90	953.70	960.90	972.70

Calculations based on previous session. Data collected 02/06/2024

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